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**SAMUEL W. STEVENS, III**  
*Certified Public Accountant*

**WATER DISTRICT NO 1 OF  
CADDO PARISH, LOUISIANA**  
**Reviewed General Purpose Financial Statements  
July 31, 2008**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 5/19/10

**WATERWORKS DISTRICT NO.1 OF  
CADDO PARISH, LOUISIANA**

General Purpose Financial Statements  
For the Year Ended July 31, 2008  
With Supplemental Information Schedules

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## **SAMUEL W. STEVENS, III CPA**

*P.O. Box 52631 · Shreveport, LA 71135 · (318) 458-0930 · Fax (866) 531-9558*

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### **INDEPENDENT ACCOUNTANT'S REVIEW REPORT**

Board of Commissioners  
Waterworks District No. 1 Of  
Caddo Parish, Louisiana  
Oil City, Louisiana

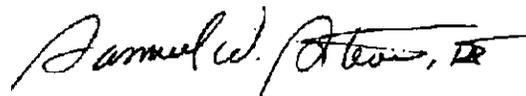
I have reviewed the accompanying general purpose financial statements of the Waterworks District No. 1 of Caddo Parish, Louisiana, as of and for the year ended July 31, 2008, as listed in the table of contents, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A review consists principally of inquires of Company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, I do not express such an opinion.

In accordance with the Louisiana Governmental Audit Guide and Statement on Standards for Attestation Engagements issued by the American Institute of Certified Public Accountants, I have also issue my report, dated April 13, 2010, on applying agreed upon procedures relating to the assertions contained in the Louisiana Attestation Questionnaire.

The additional information listed as Exhibits A and B in the table of contents is presented for purposes of additional information and is not a required part of the financial statements of the Waterworks District No. 1 of Caddo Parish, Louisiana. The information in these schedules has been subjected to the same procedures applied in the review of the general purpose financial statements.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.



April 13, 2010

## General Purpose Financial Statements

**WATERWORKS DISTRICT NO.1 OF  
CADDO PARISH, LOUISIANA**

**Balance Sheet  
July 31, 2008**

**ASSETS**

**Current Assets:**

Cash	\$ 112,247
Investments, at cost	175,088
Accounts Receivable	52,096
Prepaid Insurance	<u>16,005</u>
Total Current Assets	355,435

**Restricted Assets:**

Cash	33,388
Investments, at cost	<u>35,400</u>
Total Restricted Assets	68,788

**Fixed Assets:**

Property, Plant and Equipment	2,028,028
Less: Accumulated Depreciation	<u>(1,630,465)</u>
Net Fixed Assets	397,563

**Total Assets** **\$ 821,786**

**LIABILITIES AND EQUITY**

**Liabilities:**

<b>Current Liabilities (Payable From Current Assets):</b>	
Accounts Payable	\$ 25,506
Taxes Payable	<u>378</u>
Total Current Liabilities (Payable From Current Assets):	25,884

<b>Current Liabilities (Payable From Restricted Assets):</b>	
Customer Deposits	42,079
Accrued Interest Payable	1,194
Current Maturities of Long Term Debt	<u>26,047</u>
Total Current Liabilities (payable from Restricted Assets)	69,319

**Equity:**

Retained Earnings:	726,583
Unreserved	<u>          </u>
Total Equity	<u>726,583</u>
Total Liabilities and Equity	<b>\$ <u>821,786</u></b>

**WATERWORKS DISTRICT NO.1 OF  
CADDO PARISH, LOUISIANA**

**Statement of Revenues, Expenses and Changes in Retained Earnings  
For The Year Ended July 31, 2008**

<b>Operating Revenues:</b>	
Water Sales	\$ 435,640
Sewer Collection Fees	6,539
DHH Fee	174
Service Charges	14,500
Fire Hydrant Rental	1,200
Miscellaneous	4,007
Penalties	12,859
	<hr/>
Total Operating Revenues	474,920
 <b>Operating Expenses:</b>	
Lab Fees	3,450
Certification & School	390
Chemicals	59,750
Commissioners Expense	4,870
Depreciation	70,278
Distribution System	8,302
Gas, Oil, Diesel	8,040
Insurance	25,109
Legal and Audit	6,416
Miscellaneous	18,438
Office	4,295
Payroll Taxes	9,910
Plant Maintenance	9,771
Tools and Supplies	6,000
Truck and Backhoe	4,250
Utilities	17,682
Uniforms	2,028
Bad Debts	370
Wages	130,315
	<hr/>
Total Operating Expenses	389,661
Net Income From Operations	<hr/> 85,258
 <b>Non-Operating Revenues (Expenses)</b>	
Ad Valorem Taxes	146
Interest Income	8,630
Interest Expense	(1,457)
	<hr/>
Total Non-Operating Revenues (Expenses)	7,318
Net Income (loss)	92,577
Retained Earnings At Beginning Of Year	<hr/> 634,006
Retained Earnings At End Of Year	<hr/> <hr/> \$ 726,583

**WATERWORKS DISTRICT NO.1 OF  
CADDO PARISH, LOUISIANA**

**STATEMENT OF CASH FLOWS  
For The Year Ended July 31, 2008**

<b>Cash flows from operating activities:</b>	
Cash received from customers	\$ 470,175
Cash payments to suppliers for goods and services	(252,210)
Cash payments to employees for services	(130,315)
Net cash provided (used) by operating activities	<u>87,649</u>
<b>Cash flows from noncapital financing activities:</b>	
Ad valorem taxes	<u>146</u>
Net cash provided (used) by non-capital financing activities	146
<b>Cash flows from capital and related financing activities:</b>	
Acquisition of property, plant, and equipment	(35,605)
Principal paid on debt	(25,953)
Interest expense	(1,218)
Net cash (used) for capital and related financing activities	<u>(62,777)</u>
<b>Cash flows from Investing activities:</b>	
Interest on investments	10,978
Net cash provided (used) from investing activities	<u>10,978</u>
Net increase (decrease) in cash and cash equivalents	35,996
Cash and cash equivalents at beginning of year (Including \$67,962 in Restricted Accounts)	320,127
Cash and cash equivalents at end of year (Including \$68,788 in Restricted Accounts)	<u>\$ 356,123</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>	
Operating income (loss)	\$ 85,258
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation and amortization	70,278
Change in assets and liabilities:	
(increase) decrease in customer accounts receivable	(4,267)
(Increase) decrease in prepaids	(15,421)
Increase (decrease) in accounts payable	(47,527)
Increase (decrease) in taxes payable	(194)
Increase (decrease) in customer deposits	(478)
Increase (decrease) in interest payable	0
Total adjustments	<u>2,391</u>
Net cash provided (used) by operating activities	<u>\$ 87,649</u>

## Notes to the Financial Statements

WATERWORKS DISTRICT NO.1 OF  
CADDO PARISH, LOUISIANA

Notes to Financial Statements  
As of and for the year ended July 31, 2008

**INTRODUCTION**

The Waterworks District No. 1 of Caddo Parish, Louisiana (District) was established by the Caddo Parish Police Jury (Caddo Parish Commission) in 1948. The District is considered a special-purpose government and is fiscally independent of the Caddo Parish Commission. Although the Caddo Parish Commission, as elected officials, appoints six (6) of the eight (8) board members, the Caddo Parish Commission is not financially accountable for the District because their appointment authority is not substantive and the Caddo Parish Commission does not have the ability to impose its will on the District. Therefore, the District is not considered a component unit of the Caddo Parish Commission.

The District provides water services to approximately 735 customers in the Oil City, Louisiana area and also collects sewer services charges for the Town of Oil City, Louisiana. The District owns and operates approximately 120,000 linear feet of water lines and a treatment plant.

The District has eight (8) Board members and they are compensated on a per diem basis.

The District has five (5) employees.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Basis of presentation:**

The accompanying general purpose financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**B. Reporting entity:**

The District is the basic level of government, which has financial accountability and control over all activities related to the District operations and services provided. The District operations and services provided. The District is not included in any other governmental "reporting entity" as defined by GASB pronouncements. In addition, there are no component units as defined in Governmental Accounting Standards Board Statement 14, which are included in the District's reporting entity.

**C. Fund accounting:**

The District uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

The Waterworks District No. 1 of Caddo Parish, Louisiana is accounted for using a proprietary fund. Proprietary funds are used to account for activities similar to those found in the private sector, where (a) the intent is that costs, including depreciation, of providing goods and services to the general public on a

continuing basis is financed or recovered primarily through user charges, and (b) the determination of net income is necessary or useful to sound financial administration.

#### D. Basis of Accounting

Proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of this fund are included on the balance sheet.

#### E. Budgets

Budgets are included in these financial statements for informational purposes as a management tool and are adopted on a basis consistent with generally accepted accounting principles. All annual appropriations lapse at fiscal year end.

#### F. Bad debts

Uncollectible amounts due from customers' receivables are charged against earnings at the time information becomes available which indicates the particular account is uncollectible. Although this method does not conform to generally accepted accounting principles, the amounts charged do not materially differ from those determined under generally accepted accounting principles.

#### G. Compensated Absences

Vacation policy of two weeks per years does not accrue, therefore, no liability for compensated absences exist.

#### H. Restricted assets:

Restricted assets are comprised of the following two categories:

Cash in the meter deposit fund checking account and in the meter deposit fund certificate of deposit. The total amount required to secure the meter deposits at July 31, 2008.

Cash in a checking account for purposes of debt service as prescribed by a Certificate of Indebtedness dated October 7, 1998 in the amount of \$210,000 (See Note 6). The total amount restricted for debt service at July 31, 2008 is \$24,620.

#### I. Fixed assets:

Fixed assets are stated at cost, and depreciation is provided in an amount sufficient to relate that cost to operations over the estimated service life.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful life of the related fixed assets, as applicable.

## 2. CASH

Cash consists of amounts in demand deposits and interest-bearing checking accounts. All of these amounts are secured by federal depository insurance.

**3. INVESTMENTS**

Investments consist of certificates of deposit in various banks and are stated at cost, all of which are secured by federal depository insurance.

**4. AD VALOREM TAXES**

Taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the District on real and business personal property located within its boundaries. The taxes are levied on property values assessed by the Caddo Parish Tax Assessor and approved by the State of Louisiana Tax Commission. Property taxes revenue is recognized when levied to the extent that they result in current receivables.

For the year 2008, 499 mills were levied on property for the operation and maintenance of the water system.

**5. FIXED ASSETS**

The following is a summary of changes in fixed assets during the fiscal year:

	<u>Balance</u> <u>July 31, 2007</u>	<u>Add</u>	<u>Delete</u>	<u>Balance</u> <u>July 31, 2008</u>
Land	\$ 5,000	\$	\$	\$ 5,000
Buildings	879,104			879,104
Equipment	<u>1,108,320</u>	<u>35,605</u>		<u>1,143,924</u>
Totals	<u>\$ 1,992,424</u>	<u>\$ 35,605</u>	<u>\$ 0</u>	<u>\$ 2,028,029</u>

Fixed assets are depreciated using the straight-line method over the estimated useful lives of the assets. Depreciation expense for the year ended July 31, 2008 was \$70,278.

**6. LONG TERM DEBT**

A Certificate of Indebtedness dated October 7, 1998 for the specific purpose of plant improvements in the amount of \$210,000. Interest accrues at a rate of 5.5% and is payable semi-annually.

Principle maturity is as follows:

Year Ended	Maturities
07/31/09	\$26,047

## **SAMUEL W. STEVENS, III CPA**

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Board of Commissioners  
Waterworks District No. 1 Of  
Caddo Parish, Louisiana  
Oil City, Louisiana

I have performed the procedures included in the Louisiana Government Audit guide and enumerated below, which were agreed to by the management of the Waterworks District No. 1 of Caddo Parish, Louisiana and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Waterworks District No. 1 of Caddo Parish, Louisiana's compliance with certain laws and regulations during the year ended July 31, 2008, included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with the standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

### Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$20,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with R.S. 38:2211-2296 (the public bid law) or R.S. 39:1551-39:1755 (the state procurement code), whichever is applicable.

*I examined documentation for expenditures made during the year for materials and supplies exceeding \$20,000 and expenditures made for public works exceeding \$100,000.*

No exceptions or violations of the Public Bid Law were noted.

### Code of Ethic for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board members as defined in LSA-RS 42:1101-1124 (the code of ethic), and a list of outside business interests of all board members and employees, as well as their immediate families.

*Management's list did not include all immediate family members of every board member and employee and their family member's outside business interest. This exception has been included in the Statement Of Findings as 2008-2.*

3. Obtain from management a listing of all employees paid during this period under examination.

*Management provided a list of all employees paid during the fiscal year ended July 31, 2008.*

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedures (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

*I was unable to perform this procedure because the list required in procedure (2) was not provided. This exception has been included in the Statement Of Findings and Responses as Item 2008-2.*

### Budgeting

5. Obtain a copy of the legally adopted budget and all amendments

*Management provided a copy of the original and amended budget.*

6. Trace the budget adoption and amendments to the minute book.

*I traced the adoption of the original budget to the minutes of a meeting held on July 17, 2007 where the budget was unanimously adopted. All amendments were traced to the 2007-2008 minutes records.*

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5 % or more, or if actual expenditures exceed budgeted amounts by 5% or more. (Note, state law exempts from the amendment requirements special revenue funds with anticipated expenditures of \$500,000 or less, and exempts special revenue funds whose revenues are expenditure-driven--primarily federal funds.). For agencies that must comply with the Licensing Agency Budget Act only, compare the expenditures of the final budget to actual expenditures to determine if actual expenditures exceed budgeted amounts by 10% or more per category or 5% or more in total.

*I compared the revenues and expenses of the final budget to actual revenues and expenses. Variations were explained.*

### Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:

- a. trace payments to supporting documentation as to proper amount and payee;

*I examined supporting documentation for each of the selected disbursements and found that payment was for the proper amount and made to the correct payee.*

- b. determine if payments were properly coded to the correct fund and general ledger account; and

*All payments were properly coded to the correct fund and general ledger account.*

- c. determine whether payments received approval from proper authorities.

*Inspection of documentation supporting each of the twenty selected disbursements indicated approvals from the Board. In addition, each of the disbursements were traced to the minute book where they were reviewed and approved for payment by the full board.*

### Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meeting law).

*Management has asserted that such documents were properly posted on the door of the District's office building. I reviewed approved, dated documentation to support the assertions by management.*

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

*I inspected copies of all bank deposit slips for the period under examination and noted no deposits, which appeared to be proceeds of bank loans, bonds, or like indebtedness.*

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees, which may constitute bonuses, advance, or gifts.

*A reading of the minutes of the District for the year indicated no approval for the payments noted. I also inspected payroll records for the year and noted no instances, which would indicate payments to employees, which would constitute bonuses, advances, or gifts.*

I was not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of the Waterworks District No. 1 of Caddo Parish, Louisiana, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.



April 13, 2010

**Additional Information**

**WATERWORKS DISTRICT NO.1 OF  
CADDO PARISH, LOUISIANA**

**Statement of Revenues, Expenses and Changes in  
Retained Earnings - Budget and Actual  
For The Year Ended July 31, 2008  
With Comparative Amounts as of July 31, 2007**

	2008		Variance- Favorable (Unfavorable)	2007
	Budget	Actual		Actual
<b>Operating Revenues:</b>				
Water Sales	\$ 430,000	\$ 435,640	\$ 5,640	\$ 435,001
Sewer Collection Fees	6,800	6,539	(261)	6,774
DHH Fee		174	174	2,772
Service Charges	15,000	14,500	(500)	15,730
Fire Hydrant Rental	1,200	1,200	0	1,200
Miscellaneous		4,007	4,007	2,343
Connection Fees	2,500	0	(2,500)	0
Penalties	10,000	12,859	2,859	13,110
Total Operating Revenues	465,500	474,920	9,420	476,930
<b>Operating Expenses:</b>				
Lab Fees	5,000	3,450	(1,550)	4,295
Certification & School	500	390	(110)	2,248
Chemicals	65,000	59,750	(5,250)	63,329
Commissioners Expense	6,000	4,870	(1,130)	4,140
Depreciation	76,000	70,278	(5,722)	69,063
Distribution System	12,000	8,302	(3,698)	15,523
Gas, Oil, Diesel	8,350	8,040	(310)	6,639
Insurance	25,000	25,109	109	23,427
Legal and Audit	7,500	6,416	(1,084)	6,373
Miscellaneous	30,500	18,438	(12,062)	3,997
Office	6,800	4,295	(2,505)	4,867
Payroll Taxes	12,000	9,910	(2,090)	10,078
Plant Maintenance	11,000	9,771	(1,229)	13,514
Tools and Supplies	6,200	6,000	(200)	6,246
Truck and Backhoe	6,000	4,250	(1,751)	4,626
Utilities	20,000	17,682	(2,318)	19,188
Uniforms	1,800	2,028	228	1,761
Bad Debts	500	370	(130)	40
Wages	132,000	130,315	(1,685)	131,933
Total Operating Expenses	432,150	389,661	(42,489)	391,287
Net Income From Operations	33,350	85,258	51,908	85,643
<b>Non-Operating Revenues (Expenses)</b>				
Ad Valorem Taxes	150	146	(4)	13,743
Revenue Sharing	600	0	(600)	586
Interest Income	1,400	8,630	7,230	9,730
Interest Expense	(1,500)	(1,457)	43	(3,079)
Total Non-Operating Revenues (Expenses)	650	7,318	6,668	20,980
Net Income (loss)	34,000	92,577	58,577	106,623
Retained Earnings At Beginning Of Year	551,526	634,006	82,480	527,381
Retained Earnings At End Of Year	\$ 585,526	\$ 726,583	\$ 141,057	\$ 634,004

**WATERWORKS DISTRICT NO.1 OF  
CADDO PARISH, LOUISIANA**

**Schedule of Per Diem of Commissioners  
For The Year Ended July 31, 2008**

Name	No of days	Amount
Hancell H. Dickey	12	\$ 600
Richard Anderson	12	600
Garland Kaylor	16	840
Donald Rodgers	7	350
Regina Rushing	11	550
Todd Hopkins	8	480
Garry Hopkins	14	700
Robert Player	11	550
Virginia Sims	4	200
		<hr/>
		\$ <u>4,870</u>

WATERWORKS DISTRICT NO. 1 OF  
CADDOPARISH, LOUISIANA

Schedule of Findings and Responses  
For the Year Ended July 31, 2008

Item: 2008-1

Exception or Specific Requirement: The district failed to submit reviewed financial statements to the Louisiana Legislative Auditor within six months of its year-end or January 31, 2009.

Cause: The CPA was engaged after the required deadline or due date to submit a review of its annual financial statements to the Louisiana Legislative Auditor

Recommendation: I recommend the District take the appropriate steps to engage a CPA to ensure all financial statements are reviewed in time to comply with the legal deadline for financial reporting.

Management's response – During November 2009, The Town of Oil City took control of the Water District, and dismantled the Board Of Commissioners. Accordingly, the reporting requirements will no longer apply to the District.

Item: 2008-2

Exception or Specific Requirement: The district did not provide a full list of list of the immediate family members of each board members as defined in LSA-RS 42:1101-1124 (the code of ethic), and a list of outside business interests of all board members and employees, as well as their immediate families.

Cause: Member's of the board and certain employees did not provide the requested information.

Recommendation: The District should implement procedures to maintain a current list of the immediate family members of each board members as defined in LSA-RS 42:1101-1124 (the code of ethic), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management's response: During November 2009, The Town of Oil City took control of the Water District, and dismantled the Board Of Commissioners. Accordingly, the reporting requirements will no longer apply to the District.

WATER WORKS DISTRICT NO. 1  
OF CADDO PARISH  
P.O. BOX 7  
OIL CITY, LOUISIANA 71061

LOUISIANA ATTESTATION QUESTIONNAIRE  
(For Attestation Engagements of Government)

October 16, 2009

Samuel W. Stevens, III CPA  
P.O. Box 52631  
Shreveport, LA. 71135

In connection with your review of our financial statements as of July 31, 2008 and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of (date of completion/representations).

**Public Bid Law**

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.  
Yes  No [ ]

**Code of Ethics for Public Officials and Public Employees**

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.  
Yes  No [ ]

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.  
Yes  No [ ]

**Budgeting**

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-16), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.  
Yes  No [ ]

**Accounting and Reporting**

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.  
Yes  No [ ]

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

Yes [X] No [ ]

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes [X] No [ ]

**Meetings**

We have complied with the provisions of the Open Meetings Law, provided in R. S. 42:1 through 42:13.

Yes [X] No [ ]

**Debt**

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

Yes [X] No [ ]

**Advances and Bonuses**

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes [X] No [ ]

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance that may occur subsequent to the issuance of your report.

10-15-09 Secretary Jenny McLaughlin  
\_Date

\_\_\_\_\_  
\_Date Treasurer \_\_\_\_\_

10-15-09 President AR Taylor  
Date